HARGROVE, PESNELL & WYATT

(A Professional Law Corporation)

AMERICAN TOWER, SUITE 600

401 MARKET STREET

SHREVEPORT, LOUISIANA 71101-3239

THOMAS J. WYATT (1942-1996)

MAILING ADDRESS
POST OFFICE BOX 59
SHREVEPORT, LOUISIANA 71161-0059
TELEPHONE (318) 429-7201
TELECOPIER (318) 429-7201
E-mail: hpwlaw@prysm.net

April 9, 2002

Honorable Felix J. Boudreaux Commissioner of Conservation State of Louisiana Post Office Box 44275 Baton Rouge, Louisiana 70804-4275

Re: <u>APPLICATION FOR PUBLIC HEARING</u>.

Hosston Formation, Reservoir A, BETHANY-LONGSTREET FIELD, DeSoto Parish, Louisiana.

Dear Sir:

BILLY R. PESNELL

DAVID L. SMELLEY

PAUL A. STRICKLAND

SCOTT C. SINCLAIR

W. BROOKS MAY

JOSEPH L. HARGROVE, JR.

NELSON ENERGY, INC. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Hosston Formation, Reservoir A, in the Bethany-Longstreet Field, DeSoto Parish, Louisiana:

- 1. To authorize Applicant to drill, designate and utilize a substitute unit well and two alternate unit wells for HOSS RA SU13 at the locations shown on the attached plat.
- 2. To approve an exception to the well location provisions of Office of Conservation Order No. 289-A-g-3, effective October 7, 1977, for any of the proposed wells the location of which, as shown on the attached plat, does not comply with the well location provisions of said Order.
- 3. To find that each of the proposed wells is necessary to efficiently and economically drain a portion of the Hosston Formation, Reservoir A, underlying HOSS RA SU13 which cannot be efficiently and economically drained by any existing well on such unit.
- 4. To permit the Operator to produce the allowable assigned to HOSS RA SU13 from either the substitute unit well, any alternate unit well, or from any combination of such wells, at the option of the Operator.
- 5. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Hosston Formation, Reservoir A, in the Bethany-Longstreet Field, DeSoto Parish, Louisiana, was initially defined in Office of Conservation Order No. 289, effective October 1, 1954, and was further defined in Office of Conservation Order No. 289-A-g-2, effective April 14, 1977.

Pertinent data concerning this application is available for inspection at the offices of Nelson Energy, Inc., 1500 Louisiana Tower, 401 Edwards Street, Shreveport, Louisiana 71101. Any

Honorable Felix J. Boudreaux April 9, 2002 Page 2

person wishing to inspect such data should call Mr. Danny Moreland at (318) 226-0700 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

As provided by the Revised Rules of Procedure, the subject matter of this application does not require the issuance of a pre-application notice; therefore, no such notice has been issued.

Pursuant to the aforesaid Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of this letter, and of the attached plat, is being sent to the District Manager of the Shreveport District of the Office of Conservation and to the Interested Owners, Represented Parties and Interested Parties as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and the enclosed plat, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Bethany-Longstreet Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, enclosed is our check payable to the Office of Conservation covering the application fee.

urs very truly,

David L. Smelley

Attorney for Nelson Energy, Inc.

DLS:dp Enclosures

cc: Mr. Jim Broussard (w/encls.)

Mr. Danny Moreland (w/encls.)

Interested Owners, Represented Parties and Interested Parties (w/copy of plat only)

HOSS SU 17 HOSS SU 18 Linear 16 Linear 17 Line		Scole in feet	°T		5529 [°]	2 5529 5529
HOSS SU 17 HOSS RA SU 31 HOS		DESOTO PH, LA.		34.2	3300	23
HOSS SU 17 HOSS ALVANDA SUPERIOR CONTROLLED S		ANY LONGSTREET FIELD	BETH,	Abto Pet 6994		3
HOSS SU 17 HOSS SU 18 Francis Substitute Substitute Substitute Unit Wells HOSS RA SU 31 HOSS RA SU 31 HOSS SU 17 HOSS RA SU 31 HOSS SU 18 Francis Substitute Substitute Unit Wells Francis Su		STON FORMATION	HOS	So. Not et al		90185
HOSS SU 17 HOSS RA SU 19 HOSS RA SU 1		ORDER	energ		χ ν υ	7A 50 52
HOSS SU 17 HOSS SU 18 Proposed Substitute France Sub			7	_		
HOSS SU 17 HOSS SU 17 HOSS SU 17 HOSS SU 18 PANY FIRST		Ехнівіт			9204	
HOSS SU 17 HOSS SU 18 HOSS S		oposed Alternate		Current		
HOSS SU 17 HOSS SU 18 Figure 15 F		Proposed Substitute Unit Wells			1	
HOSS SU 17 HOSS SU 17 HOSS SU 17 HOSS SU 17 HOSS SU 11 SALVA Willowatte 15 Luncip 15 Luncip 15 Luncip 16 Luncip 17 Luncip 16 Luncip 16 Luncip 16 Luncip 16 Luncip 16 Luncip 16 Luncip 17 Luncip 16 Luncip 17 Luncip 17 Luncip 16 Luncip 17 Luncip 17 Luncip 16 Luncip 16 Luncip 16 Luncip 16 Luncip 17 Luncip		Alternate Unit Wells				20
HOSS SU I7 HOSS SU II JANY WILLIAMS WILLIAMS RA WILLIAMS RA WILLIAMS RA WILLIAMS RA WILLIAMS REPRESENTED FOR THE PROPERTY OF THE PROPERTY REPRESENTED FOR THE PROPERTY REPRESENTATION REPRESENTATI		Unit Wells	`			3
HOSS SU 17 HOSS SU 18 HOSS HOSE HIMMAN						55 85
HOSS SU 17 HOSS SU 11 JAMES S		Sincenton El Poso 223 23 23 23 23 23 23 23 24 25 25 25 25 25 26 26 26 26 26 26 26 26 26 26 26 26 26		9250 I-ALT	HOSS RA SU 13 900 FEL (* 5550) Proposed Substitute Unit Well	JEEWS Morion Toy Job 1
HOSS SU I7 HOSS SU II JALY Willowette 15 El Poso Lundoy		HOSS RA SU IO	SU 48	₹3	1400 FEL O JT Brontley	
HOSS SU I7 HOSS SU I7 HOSS SU II S-ALY Willowette II Paso Lunday Arrana		9250' 2	₩ 2-AU ₩	~	**	9300. *
HOSS SU I7 HOSS SU II 3-ALY El Poso LUMBOY Arrana Arrana 4-ALY ALY J. W. Gruby 3-ALY Arrana 4-ALY Arrana 4-ALY 3-ALY Arrana 4-ALY 3-ALY 3-A		El Poso Williamette F#1	El Poso 4420 A E			Texas OBG Burford 'Show
HOSS SU I7 HOSS SU II J-ALY EI Paso EI Paso Lundoy Lundoy Areans Areans Areans Areans Areans Areans I Paso Lundoy EI Paso A-ALY A J W Graby Schuler Est J-Act A J-Ac	:	9605	5.5 7.1	9205 [°]	<u></u>	17
HOSS SU I7 HOSS SU II S-ALY El Paso El Paso Lunday Lunday El Paso Lunday El Paso Arsana Arsana Arsana Burland TSOO (©) HOSS SU II S-ALY El Paso El Paso Willometre 15 Willometre 15 El Paso Arsana Arsana Arsana Arsana Arsana Arsana Arsana Arsana		FI Poso		El Poso Jernigen 15	(34 ☆
HOSS SU I7 HOSS SU II FI Para FI Para FI Para		AF#3-ALT J W Grisby		Willomette IS	<u> </u>	3489 Arteno Burleyd
		El Poso El Poso Gomble Willowette El Poso Gomble F.4.4 ACT EL Poso Gomble		HOSS	HOSS SU 17	White B. Elis Drig P. Burford Sur *